STATE OF HAWAII DEPARTMENT OF LAND AND NATURAL RESOURCES Division of Boating and Ocean Recreation Honolulu, Hawaii 96813

October 28, 2011

Board of Land and Natural Resources State of Hawaii Honolulu, Hawaii

OAHU, HAWAII, MAUI

Request by the Division of Boating and Ocean Recreation (DOBOR) for Board Approval for Cancellation of Eight Revocable Permits and Reissuance of Seven Revocable Permits for Use at State Small Boat Harbors (SBH) on Islands of Oahu, Hawaii and Maui

Permits on the Island of Oahu

RP No. B-93-48 to Hawaii Water Ski Association at Keehi Lagoon

RP No. B-93-31 to Na Alii Water Ski Club at Keehi Lagoon

RP No. B-93-42 to Oahu Water Ski Club, at Keehi Lagoon

Permits on the Island of Hawaii

RP No. BH-5212 to Hawaii Petroleum, Inc. at Keauhou SBH,

Kawaihae SBH and Kailua-Kona Pier

RP No. BH-10-06 to Island of Hawaii YMCA, at South Kawaihae SBH

Permits on the Island of Maui

RP No. B-93-43 to Maalaea Charters, Inc. at Maalaea SBH

RP No. B-94- 60 to Maui Oil Company, Inc. at Maalaea SBH

RP No. BM-95-64 to Maui Petroleum Inc., at Maalaea SBH

STATUTE: §171-55, Hawaii Revised Statutes, reads as follows:

"§171-55 Permits. Notwithstanding any other law to the contrary, the board of land and natural resources may issue permits for the temporary occupancy of state lands or an interest therein on a month-to-month basis by direct negotiation without public auction, under conditions and rent which will serve the best interests of the State, subject, however, to those restrictions as may from time to time be expressly imposed by the board. A permit on a month-to-month basis may continue for a period not to exceed one year from the date of its issuance; provided that the board may allow the permit to continue on a month-to-month basis for additional one year periods."

LEGAL REFERENCE:

Sections 171- and 55, Hawaii Revised Statutes, as amended.

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LOCATION:

Reference EXHIBIT A

AREA:

Reference EXHIBIT A

TRUST LAND STATUS:

OAHU

Keehi Lagoon, SBH
Section 5(b) lands of the Hawaii Admission Act
DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

HAWAII

Keauhou SBH, Kawaihae South SBH, Kailua-Kona Pier Section 5(b) lands of the Hawaii Admission Act DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

MAUI

Maalaea SBH, Lahaina SBH Section 5(b) lands of the Hawaii Admission Act DHHL 30% entitlement lands pursuant to the Hawaii State Constitution: NO

CHARACTER OF USE:

The use shall remain the same for all Permits, see Exhibit A.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

In accordance with the "Comprehensive Exemption List for the Division of Boating and Ocean Recreation, Department of Land and Natural Resources, State of Hawaii, as concurred in by the Environmental Council, State of Hawaii," dated March, 1995, the subject request is exempt from the preparation of an environmental assessment pursuant to Exemption Class No. 1 that states in pertinent part, "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."

REMARKS:

The Division of Boating and Ocean Recreation (DOBOR) has prepared a list of eight Revocable Permits (RP) requiring the Board's approval for cancellation and reissuance of seven of those permits to the existing tenants with an updated revocable permit. The table provided as Exhibit A, shows the present status of each RP, the proposed rental increase for six Permits, and shows

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A, shows the present status of each RP, the proposed rental increase for six Permits, and shows RP No. B-93-43 as not to be reissued.

The rents have been at their existing rate for some time, and due to the considerable amount of time required to maintain each of these permits, DOBOR requests the Board's approval for a modest increase to the monthly rental in the amount of \$100.00 minimum for each permit.

DOBOR requests that the only permit not to be reissued as an RP would be RP No. B-93-43 to Maalaea Charters, Inc. at Maalaea SBH. This permit would be cancelled and a Use Permit would be issued directly by DOBOR for ticket and activity sales. So as to keep continuity, upon approval DOBOR would issue the Use permit in thirty days or the first of the month.

As some of the RP's were issued some time ago, all reissued RP's provided through the Attorney Generals office will include the most recent updates so as to best protect the State.

No agencies were asked for comment as the tenants would continue in the same use and activity as they have in the past.

RECOMMENDATION:

That the Board approve the cancellation of the eight Revocable Permits and the reissuance of the seven Revocable Permits identified above and in Exhibit A for use at State Small Boat Harbors on the islands of Oahu, Hawaii and Maui to include the following conditions:

- 1. Standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
- 2. To be effective as determined by the Chairperson;
- 3. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
- 4. Review and approval of the Attorney General Office as to form.

Respectfully Submitted,

Edward R. Underwood

Administrator

APPROVED FOR SUBMITTAL:

William J. Aila, Jr.

Chairperson

Exhibit A CANCELLATION AND REISSUANCE OF REVOCABLE PERMITS

COMMENTS		Reissue	Rental increased	New Monthly \$100		Reissue	Rental increased	New Mionthly \$100			Reissue	Rental Remains at	Monthly \$100				Reissue	Rental increased	New Monthly \$100		Reissue	Rental increased	New Monthly \$100	Rent guided	by HRS §171-43	
APPROX. AREA AC.		0.02		11		0.23					0.23						Access				1					
ADJUSTED RENT		\$100.00				\$100.00					\$100.00						\$100.00				\$100.00					
MONTHLY		\$20.00				\$20.00					\$100.00						\$35.00	.005 per gal.	whichever	Greater	Gratis					
USE		Water Ski Activities				Water Ski Activities					Water Ski Activities						Fuel Delivery				Aquatic Center	Mainenance of Facility				
DCCA Active		Yes				Yes					Yes						Yes				Yes					
RP DATE		1993				1993				-	1993				•		1994				 2002					
PERMIT #		B-93-48				B-93-31					B-93-42						BH-5212				BH-010-06					
PERMITEE	OAHU	Hawaii Water Ski Assn.	1-2-25:24	Keehi Lagoon	Lagoon Islet	Na Alii Water Ski Club	1-2-25:24	Keehi Lagoon	Lagoon Islet		Oahu Water Ski Club	1-2-25:24	Keehi Lagoon	Lagoon Islet		HAWAII	Hawaii Petroleum Inc.	(3) 7-8-12:55	Keauhou, Kailua-Kona, Kawaihae		The Island of Hawaii YMCA	(3) 6-1-003	South Kawaihae SBH			

PERMITEE	PERMIT#	RP DATE	DCCA Active	USE	MONTHLY	MONTHLY ADJUSTED RENT RENT	APPROX. AREA AC.	COMMENTS
MAUI								
Maalaea Charters, Inc.	B-93-43	1993	Yes	Charter Boat Office	\$80.00	N/A	0.0023	Cancellation / No Reissuance
(2) 3-6-001						(cancelled)		To convert to Harbor Use
								Permit-Ticket/activity sales
Maui Oil Company, Inc.	B-94-60	1994	Yes	Dispense Fuel	\$35.00	\$100.00	Access	Reissue
(2) 3-6-001				Delivery	.005 per gal.			Increased Base Rental
Maalaea SBH					whichever			New Monthly \$100
					Greater			% remains same
Maui Petroleum Inc.	BM-95-64	1995	Yes	Dispense Fuel	\$35.00	\$100.00	Access	Reissue
(2) 3-6-001				Delivery	.005 per gal			Increased Base Rental
Maalaea SBH					whichever			New Monthly \$100
Access to Maalaea					Greater			% remains same
					+			